

**We also expect you to adhere to our
compliance standards!**

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Penn GmbH (hereinafter referred to as PENN) and its workforce have committed themselves to observing and applying the basic principles of human rights, working conditions, environmental protection, health and the fight against corruption and bribery.

This Code defines requirements with which PENN expects its suppliers¹ and their sub-suppliers from whom they obtain goods and/or services to comply.

The Code of Conduct for Suppliers is based on the

- Principles of the UN Global Compact
- Agreements of the International Labour Organization (ILO)

The following requirements define minimum standards and are intended to prevent situations that could call into question the integrity of the company and its employees. The provisions of the Code of Conduct for Suppliers are fundamental to the business relationship between PENN and its suppliers. Suppliers are requested to inform their sub-suppliers about the provisions of the Code of Conduct for Suppliers. Respectful interaction, active participation in finding solutions and an appreciative basis for discussion are the foundation for excellent customer-supplier relationships. Business partners are at liberty to introduce more extensive codes of conduct with higher requirements for ethical conduct for themselves and their employees.

1. Scope of application

The Code of Conduct for Suppliers applies to all of PENN's suppliers and subcontractors. This includes suppliers' employees at all levels, directors, temporary workers, consultants and anyone acting on the supplier's behalf or representing the company.

Gender-specific formulations are not used in the interests of readability. Insofar as personal designations are only given in the masculine form, they refer equally to men, women and gender-diverse persons.

2. Management and compliance

Our suppliers must identify with, be able to manage and comply with the requirements set out in the Code of Conduct for Suppliers. This includes the existence and effective communication of appropriate policies, procedures, management systems, quality improvement activities and internal monitoring systems as well as resources to comply with the Code of Conduct for Suppliers.

3. Human rights

PENN expects its suppliers to comply with United Nations human rights regulations.

- **No child labour:** PENN does not accept child labour. The minimum employee age must not be below the age at which compulsory education ends and in no case below 15 years. Exceptions are only permitted if the employees are at least 14 years of age and the employment is part of a recognised education and training programme.
- **No forced labour:** PENN does not accept forced, slave or similar labour. All employment must be voluntary and based on forms of employment that comply with national laws and standards.
- **No discrimination:** Based on the principle of equal opportunities and the General Equal Treatment Act (GETA), all forms of discrimination based on gender, race, ethnic origin, disability, religion, ideology, age, sexual orientation or political affiliation are inadmissible.
- **No harassment:** Employees are to be treated with dignity and respect. No form of inhuman treatment such as threats of violence, corporal punishment or other forms of physical or verbal violence is permitted.

¹ Suppliers of PENN include all suppliers, dealers, subcontractors and other legal and natural persons who have a supply or business relationship with PENN

4. Working conditions

- **Health and safety**
PENN suppliers must actively promote a harm-free, healthy work environment and promote an open, proactive health and safety culture. Suppliers must plan and act to prevent injuries and implement systematic risk management. Suppliers must also use best efforts to protect their workers from factors beyond their control, such as natural disasters and safety hazards. Protection against safety hazards must be proportional to the hazard itself.
- **Remuneration and working hours**
The statutory and collectively agreed regulations on working hours, regular holidays, remuneration and social benefits must be observed. If there are no legal or collective agreement regulations, the remuneration must be based on the industry-specific and local remuneration that is appropriate for the work performed.
- **Freedom of association and the right to collective bargaining**
Suppliers are obliged to respect the workers' right to freedom of association and collective bargaining. Suppliers must not discriminate against employee representatives on account of their role or against employees organised in trade unions on account of their membership.
- **Privacy and personal rights:** Employee privacy must be genuinely respected.

5. Quality and the environment

- **Quality management**
In line with the expectations of PENN customers, PENN expects its suppliers to introduce and continuously improve quality management.
- **Environmental management**
 - Applicable environmental laws must be observed and complied with.
 - Waste/hazardous materials must be disposed of responsibly to support the recycling process. To avoid dangerous chemicals polluting the environment, particular attention must be paid to appropriate storage, use and disposal.
 - Waste water and air emissions must be monitored, reduced to a minimum and appropriately disposed of/transported/stored/treated.
 - Energy consumption reduction and energy efficiency improvement measures must be implemented. Furthermore, energy consumption must be documented and monitored.
 - PENN is always aware of the situation regarding the availability of natural resources. Because of this, PENN is continually looking for better ways to use resources.

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6. Business practices and integrity

- **Compliance with the law**
Suppliers must comply with applicable laws and regulations in their country of origin and in the countries in which they operate. We expect our suppliers to comply with relevant international conventions and guidelines adopted by international organisations such as the United Nations and the Organisation for Economic Cooperation and Development. In the event of any discrepancies between applicable laws and regulations and the Code of Conduct for Suppliers or conditions in supplier contracts, the most stringent requirements shall prevail.
- **Safeguarding trade/business secrets**
PENN's confidential information and documents may not be passed on to third parties without authorisation or made accessible in any other way, unless authorisation is granted to do so or the information is publicly accessible. The protection of third-party intellectual property must be observed.
- **Compliance with data protection**
PENN expects its suppliers to observe and comply with all applicable laws regarding the protection of the personal data of employees, customers, suppliers and other business partners.
- **Anti-corruption**
Suppliers must not tolerate corruption under any circumstances and must work against all types of corruption. They are prohibited from offering, soliciting, giving, accepting and receiving bribes or other improper advantages, whether direct or indirect, for business or private gain, for themselves or on behalf of others. Donations and sponsorship must not be misused to circumvent regulations on corruption.
- **Fair competition**
The business activities of our suppliers must be subject to the rules of free and fair competition. Suppliers must observe the legal requirements of competition and antitrust law. In particular, agreements and other activities that influence prices or conditions, allocate sales areas or customers or impede free and open competition in an impermissible manner are prohibited.
- **Business courtesies, gifts, hospitality and gratuities**
Suppliers must prohibit the giving and receiving of business courtesies, e.g., gifts, hospitality, gratuities and other perks, if they constitute or could be regarded as improper influence.
In addition, suppliers may not offer gifts to employees and agents of PENN and those closely associated with them, whether directly or indirectly, unless they are of low value such as pens, calendars or coffee, and meet the appropriateness requirements of the FCPA guidelines. Hospitality, such as social events, meals and entertainment, is permitted if there is a business purpose and the costs are kept within reasonable limits. Travel expenses for PENN representatives are paid by the company.
- **Accuracy of records**
Suppliers are obliged to maintain transparency, verifiability and accuracy in all their activities while adhering to their duty of confidentiality. All billing information must be accurate and collected and recorded in accordance with applicable laws and regulations.
- **Confidentiality**
Suppliers undertake not to disclose confidential information that is further specified in contracts between PENN and the supplier. Misuse of such information is prohibited.

7. Compliance with the PENN Code of Conduct for Suppliers

- **Communication and monitoring**

The supplier undertakes to make the relevant employees aware of the content regulated in this PENN Code of Conduct for Suppliers and the resulting obligations. Compliance with the described content must be ensured through the implementation of organisational precautions and internal controls, and monitored by management. Suppliers must inform PENN of events that jeopardise compliance with the Code.

8. Violations and consequences

PENN considers compliance with this Code of Conduct by its suppliers and subcontractors to be an integral part of any business relationship. In the event of violations of the principles anchored in this code, PENN expects its suppliers to immediately take appropriate measures to prevent comparable violations in the future. If PENN comes to the conclusion that a supplier is not taking sufficient measures to prevent violations of the principles set out in this Code, PENN reserves the right to terminate the business relationship.

9. Acknowledgement of the PENN Code of Conduct for Suppliers

Accepted by:

Company (company stamp):

Date / Name / Signature